

TAB 5

**FACTUAL BACKGROUND OF EEL NRC's SBC AGREED TO
CHARGE GLOBALCOM BASED ON SBC'S ORIGINAL
INTERPRETATION OF ITS TARIFF**

Factual Background of EEL NRCs SBC Agreed to Charge Globalcom
Based on SBC's Original Interpretation of its Tariff

Globalcom, Inc. is a facilities based integrated telecommunications provider that is headquartered in Chicago, Illinois. Founded in 1993, Globalcom, Inc. provides local, interexchange and data communication services to enterprise businesses located primarily in Illinois and Wisconsin, although it also provides services to businesses located throughout the continental United States.

Prior to September of 2002, Globalcom, Inc. reached the end user premises from its switch facilities in Illinois through SBC Illinois interstate and intrastate special access services. These higher cost retail services were necessary since SBC Illinois was not offering and would not provide new combinations of unbundled network elements to requesting carriers, such as the unbundled network elements loop and dedicated interoffice transport. The use of SBC Illinois special access services restricted Globalcom, Inc.'s ability to provide state of the art dedicated telecommunication services to the end user at competitive rates because the lack of access to combinations of unbundled network elements restricted Globalcom, Inc. to simply repackaging SBC Illinois standard retail offerings.

On June 30, 2001, the Illinois General Assembly passed what is commonly referred to as the Illinois Telecommunications Re-Write of 2001 ("Illinois Act"). The General Assembly codified past Illinois Commerce Commission and FCC Orders to require incumbent local exchange carriers under alternative rate regulation in Illinois to provide, *inter alia*, combinations of network elements that it ordinarily combines for itself. After almost a year of litigation, SBC Illinois finally filed a tariff to comply with the Illinois Act on June 18, 2002 ("Permanent

Tariff").¹ The Permanent Tariff allowed requesting carriers to lease Enhanced Extended Loop ("EEL") combinations of unbundled network elements. However, despite numerous requests and orders from the Illinois Commerce Commission to provide cost studies to support the non-recurring TELRIC charges for EEL combinations, as of June 18, 2002, SBC Illinois' non-recurring charges for EEL combinations were both interim and had not been the subject of cost proceedings.²

Weeks prior to the issuance of the Permanent Tariff, Globalcom, Inc. requested that SBC Illinois provide policies and procedures for ordering new EEL combinations so that when SBC Illinois did file that tariff, Globalcom, Inc. would be ready to immediately begin ordering services.³ However, at the time that SBC Illinois filed its Permanent Tariff, SBC Illinois did not have any policies or procedures in place for ordering new EELs. In fact, all orders had to be submitted initially as special access services, then SBC Illinois would convert those circuits to EELs.⁴

Globalcom, Inc. not only had questions about how it could order EELs, it also began to have questions about the application of NRCs under the Permanent Tariff. On June 14-15, 2002, Globalcom, Inc.'s Chief Financial Officer testified in Globalcom, Inc. v. Illinois Bell Telephone

¹ SBC Illinois did file an Interim Compliance Tariff on September 18, 2001. However, that Interim Tariff contained unlawful restrictions on competitive access to combinations of unbundled network elements, such as a restriction that all new Enhanced Extended Loop combinations terminate at a requesting carrier collocation facility located in an SBC Illinois central office. See; Globalcom v. Illinois Bell Telephone Company, ICC No. 02-0365, Order on Rehearing. .

² See *Illinois Commerce Commission On Its Own Motion, Investigation into the Compliance of Illinois Bell Telephone Company with the Order in Docket 96-0486/0569 Consolidated Regarding the Filing of Tariffs and the Accompanying Cost studies for Interconnection, Unbundled Network Elements and Local Transport and Termination and Regarding End to End Bundling Issues*, Docket No. 98-0396, Order on Reopening, at 11 (Ill. C.C. Apr. 30, 2002) ("ICC Order on Reopening").

³ Email dated June 17, 2002 1:57 PM (Attachment 1).

Company, ICC Docket No. 02-0365, as to the rate application for new EEL NRCs.⁵ Specifically, he testified that a plain reading of the Permanent Tariff showed that the total NRCs for a new combination of a 4 wire digital loop to DS1 interoffice transport was \$661.02.⁶ Mr. Robertson Offered this testimony to support Globalcom, Inc.'s calculation of damages caused by SBC Illinois' inclusion of an illegal collocation requirement in its Interim Compliance Tariff which precluded Globalcom, Inc. from ordering new EELs from June 30, 2001, to July 12, 2002. SBC Illinois offered absolutely no rebuttal to Mr. Robertson's testimony. In fact, SBC Illinois never took issue with Mr. Robertson's testimony in Docket No. 02-0365 for the rate application for new EEL NRCs.

In August of 2002, Globalcom, Inc. was still in discussions with SBC Illinois on the processes for ordering new EELs, and, in fact, Globalcom, Inc. still had not yet been able to order a new EEL because of the lack of processes. During one of the numerous meetings with SBC Illinois EEL project managers, an SBC Illinois EEL project manager during a conference call for the first time took issue with Globalcom, Inc.'s understanding of the rate application for new EEL combinations of 4 wire digital loop and DS1 dedicated interoffice transport. In response, on August 13, 2002, Globalcom, Inc. Chief Technology Officer, Mr. Eric Wince, sent an email to SBC Illinois Director -- Account Management, Ms. Peggy Beatta, and requested clarification of the rate application for new EELs under the Permanent Tariff.⁷

On August 21, 2002, SBC Illinois and Globalcom, Inc. senior management had a meeting where one of the agenda items was NRC rate application for the EEL configurations that Globalcom, Inc. would order. That same day, Globalcom, Inc. Vice President of Network

⁴ Email dated August 14, 2002 3:12 PM (Attachment 2).

⁵ Reply Verified Statement of Gregory L. Robertson, p. 5, lns. 5-21 (Attachment 3).

⁶ SBC Illinois ICC Tariff No. 20, Part 19, Section 20, sheet 6 (Attachment 4).

Operations, Mr. Roger Wurster, sent an email to Ms. Peggy Beatta to confirm not only the EEL configurations, but also the NRC rate application.⁸ In that email, Mr. Wurster confirmed that SBC Illinois' official position at that time was that the total NRCs for a EEL combination of a 4 wire digital loop to dedicated interoffice transport was \$661.02.⁹ This particular network design was described by Ms. Beatta in her email dated August 19, 2002, which contained a diagram that references "Option 1".¹⁰ Ms. Beatta sent a response email confirming that the parties agreed that the total NRCs for that particular combination (referred to as Option 1 in the email) of loop dedicated transport was \$661.02.¹¹ In reliance on SBC Illinois' official interpretation of its own tariff, Globalcom, Inc. not only started the process of ordering new EELs, it designed new products and rolled out a new marketing push to provide integrated dedicated services to enterprise businesses. Globalcom, Inc. spent considerable sums and time in this process, which essentially amounted to a complete revision of Globalcom, Inc.'s business strategy.

In October of 2002, Globalcom began receiving invoices from SBC Illinois which contained NRCs for the new EELs that Globalcom, Inc. ordered. Inexplicably, SBC Illinois invoiced Globalcom, Inc. \$1,663.08 for new EEL combinations of a 4 wire digital loop to DS1 dedicated interoffice transport.¹² No one at SBC Illinois was able to explain where that rate application came from.

Globalcom, Inc. filed numerous billing disputes with SBC Illinois concerning the NRCs it

⁷ Attachment 5.

⁸ Email dated August 21, 2002 2:54 PM (Attachment 6).

⁹ Id.

¹⁰ Attachment 14.

¹¹ Email dated August 21, 2002 4:36 PM (Attachment 7).

¹² Attachment 8.

charged for new EELs.¹³ SBC Illinois summarily rejected each of those billing disputes without providing any support for the NRCs, nor did it provide any support or explanation as to why SBC Illinois departed from the agreed upon rate application from August 21, 2002.¹⁴ Globalcom, Inc. escalated to the Account Management Team which had confirmed the rate application and awaited their response. The Account Management Team acknowledged the billing dispute and never provided an explanation as to why the invoices had a different rate application for new EELs then had been represented on August 21, 2002.

In July of 2003, SBC Illinois began to escalate efforts to collect the disputed overcharges for EEL NRCs. However, SBC Illinois by this time still had not come to a clear position on the correct NRCs for new EELs. On July 17, 2003, an SBC Illinois account manager assigned to Globalcom, Inc. sent an email stating that the total NRCs for the particular EEL combination that Globalcom, Inc. had ordered totaled \$1,624.83.¹⁵ This is the amount that appears on the SBC Illinois invoices to Globalcom, Inc. However, that same account manager just days later on July 22, 2003, stated *for the first time* in a "Written Explanation of Charges Associated with New EEL Orders" that the total NRCs for that same EEL combination is \$2,286.21.¹⁶ SBC Illinois senior management, Ms. Peggy Beatta, has stated unequivocally that on a go forward basis SBC Illinois will invoice Globalcom, Inc. the most recent calculation of EEL NRCs, \$2,286.21, for all new EEL orders.¹⁷ SBC Illinois senior management have taken the position that all past invoiced charges for new EEL orders are correct and that, at the same time, the go forward total of

¹³ Attachment 9.

¹⁴ Email dated July 17, 2003 4:52 PM (Attachment 10).

¹⁵ Id.

¹⁶ Email dated July 22, 2003 10:07 AM (Attachment 11).

¹⁷ To date, SBC Illinois has never invoiced Globalcom, Inc. in the manner described by Ms. Selma Buycks in her email dated July 22, 2003 (Attachment 11). In fact, Globalcom, Inc.'s most recent invoice dated June 19, 2003, still uses the \$1,624.83 total.

\$2,286.21 is the correct amount under the terms and conditions of SBC ICC No. 20, Part 19, Section 20, 3rd Revised Sheet No. 6.

On July 24, 2003, SBC Illinois sent a demand that Globalcom, Inc. pay what amounted to \$1,663.08 per new EEL Order or face termination of service, suspension of provisioning or further legal action.¹⁸ To date, Globalcom has paid the undisputed \$661.20 for all new EEL orders and continues to dispute the remaining balance.¹⁹

¹⁸ Attachment 12.

¹⁹ Attachment 13.

Tab 5

Attachment 2

Eric Harstad

From: BEATA, MARGARET (AIT) [mb6432@sbc.com]
Sent: Wednesday, August 14, 2002 4:53 PM
To: Roger Wurster
Subject: RE: DS3 Order

DS3 CO muxing rates are located in ICC #20, pt 19, sect 12, sheet #33.

The language reads Optional Features and Functions (1)

Interconnection -- Central Office Multiplexing

Per Arrangement

DS3 to DS1 \$404.30 monthly

(1) Cross-Connection of Services rates, per circuit, found in Part 23, Section 4 of this tariff.

Peggy Beata
 Director -- Account Management
 312-335-7340 office
 312-740-4126 pager
 mb6432@sbc.com

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-----Original Message-----

From: Roger Wurster [mailto:rwurster@global-com.com]
 Sent: Wednesday, August 14, 2002 3:58 PM
 To: BEATA, MARGARET (AIT)
 Subject: RE: DS3 Order

What is the cost of a DS3 Mux?

-----Original Message-----

From: BEATA, MARGARET (AIT) [mailto:mb6432@sbc.com]
 Sent: Wednesday, August 14, 2002 3:12 PM
 To: Roger Wurster; Gloria Utley
 Subject: FW: DS3 Order

> Roger and Gloria,

>

> Please follow these steps to accomplish the net effect until EELs
> processes are complete:

>

> 1) Place orders for 11-15 new DS1s, the same way that you order special
> access circuits today.

>

> 2) After the 11-15 new DS1s orders are placed, cancel the pending EELs
> orders.

>

> 3) Order a new DS3 UDT Entrance Facility with muxing the same way that

> you order special access circuits today. This is the first order that
> needs to be placed for future EELs orders so that there will be available
> assignments.
>
> 4) Use a project tracking code of 010614. Enter that code in the Project
> Field Code area of the order.
>
> Peggy Beata
> Director -- Account Management
> 312-335-7340 office
> 312-740-4126 pager
> mb6432@sbc.com
>
> This e-mail and any files transmitted with it are the property of SBC
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> solely for the use of the individual or entity to whom this e-mail is
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> your computer. Any other use, retention, dissemination, forwarding,
> printing or copying of this e-mail is strictly prohibited.
>
>
> -----Original Message-----
> From: Roger Wurster [mailto:rwurster@global-com.com]
> Sent: Wednesday, August 14, 2002 1:07 PM
> To: BEATA, MARGARET (AIT)
> Cc: Gloria Utley
> Subject: DS3 Order
>
>
> When you send me the particulars on how you want us to order the DS3 Mux
> today. Could you add in Gloria's name with that email as well so no one is
> waiting for me? Thanks!
>
> Roger M. Wurster
> V.P., Network Engineering/Operations
> mailto:rwurster@global-com.com
> 312-893-0294 Wk.
> 312-895-0727 Fax
>
> You get what you expect. Believe in your dreams!

Phone: (312) 335-6553
Fax: (312) 467-9026

-----Original Message-----

From: Eric Wince [mailto:ewince@global-com.com]
Sent: Monday, June 17, 2002 1:57 PM
To: HARVEY, THOMAS AIIS (AIT)
Subject: EELs

Thomas,

This email is to follow up on a voice mail I had left you last week in regards to EELs. As you know, the ICC ruled that collocation is not required to provision and install new EELs. Globalcom was one of the parties that made the argument to the ICC that for a CLEC who has elected to deploy a switch in Lata 358, like Globalcom, rather than collocation, then we are entitled to access new EELs. I understand that the recent order from the commission states that Ameritech must file a new tariff within 30 days of the final order, and even though we are entitled to order new EELs right now under the IL telco act and TA96, I do not anticipate that Ameritech will accept our orders until the tariff is filed (I do not think that Ameritech position on this is legal). However, we want to be 100% ready to submit new orders on the day that Ameritech files the new tariff. Therefore, what do we need to do, who do we need to talk to begin ordering EELs. Most specifically what is the process for ordering these circuits. I would like to arrange a meeting with Ameritech to finalize the ordering process. We are ready to begin the ordering on the day the tariff is filed.

Eric Wince
Globalcom, Inc.
Chief Technical Officer
333 West Wacker Drive
Chicago, IL 60606-1231
Phone: 312.895.8818 x103
Fax: 312.492.1414
Service: 800.589.1531
Mailto:ewince@global-com.com
Web Site: <http://www.global-com.com>

Tab 5

Attachment 3

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

1	
2	
3	
4	Globalcom, Inc.)
5)
6	vs.)
7)
8	Illinois Bell Telephone Company,) Docket No. 02-0365
9	d/b/a Ameritech Illinois)
10)
11	In the Matter of a Complaint)
12	Pursuant to 220 ILCS 5/13-515,)
13	220 ILCS 10/101 and 10-108.)
14	
15	
16	

REPLY VERIFIED STATEMENT OF GREGORY L. ROBERTSON

17

18

19 **Q. Please state your name.**

20 **A. Gregory L. Robertson**

21 **Q. Who is your employer and what is your position?**

22 **A. I am currently employed as the Chief Financial Officer and Secretary for Globalcom, Inc.**

23 **Q. What are your responsibilities?**

24 **A. As Chief Financial Officer, I am responsible for the overall financial aspects of the**

25 **Company, both for overall strategy and day-to-day operations. I am responsible for**

26 **investor relations, tax and strategic analysis functions. I report directly to the CEO and**

27 **Board of Directors. I oversee the Controller and manage the Finance Department.**

28 **Q. Please describe your employment history with Globalcom, including positions held,**

29 **responsibilities and dates?**

30 **A. I started with Globalcom in January of 1999 as the Chief Financial Officer. My**

31 **responsibilities have essentially remained the same since then.**

C-00522

1 received from Globalcom for a particular circuit and that required a total of the OPP
2 recurring charges and non-recurring charges. That data is reflected in Ex. 9.1 columns G
3 and H.

4
5 **Q. Can you describe the formula that you used to determine when a particular circuit
6 broke even?**

7 **A.** Yes. The formula is expressed as $(\text{Tariff NRC} - \text{EEL NRC}) / (\text{Tariff MRC} - \text{EEL MRC})$
8 = Time to Break Even. That calculation gives the amount of time, expressed in months,
9 before the circuit broke even. For example, assume a 12 month DS1 circuit has an OPP
10 NRC of \$375, OPP MRC of \$376.15. The EEL NRC is \$661.02 and the EEL MRC is
11 \$144.74. That calculation would be expressed as $(375 - 661.02) / (376.15 - 144.74) =$
12 1.2360. It is then necessary to look at the date that the circuit was established. In this case
13 assume that the circuit was established on April 9, 2001. Since the circuit broke even after
14 1.2360 months, we now know that Ameritech recovered its UNE costs on May 16, 2001.
15 Since the circuit broke even prior to June 30, 2001, for purposes of determining damages,
16 it is necessary to determine the difference between the OPP recurring charge and the EEL
17 recurring charge multiplied by the number of months from June 30, 2001 to the date of
18 conversion to EELs, which for purposes of my calculations I assumed was May 15, 2002
19 since that was the closing date of Ms. Pozzi's calculations. So the formula would be
20 expressed as $((376.15 - 144.74 = 231.41) * 10.6333) = 2,460.65$. So, Globalcom's
21 damages on that hypothetical circuit would be \$2,460.65.

22 **Q. How would the calculation be different for a circuit that did not break even prior to
23 June 30, 2001?**

⁵ ICC No. 20, Part 19, Section 22, Original Sheet 13.

Tab 5

Attachment 4

ILLINOIS BELL
TELEPHONE COMPANY

Ameritech

Tariff

ILL. C.C. NO. 20
PART 19 **SECTION 20**

PART 19 - Unbundled Network Elements and Number
Portability
SECTION 20 - Enhanced Extended Loop (EEL)

4th Revised Sheet No. 1
Cancels
Original Sheet No. 1

1. PROVISION OF ENHANCED EXTENDED LOOP (EEL)

(N)

General

Enhanced Extended Loop (EEL) is a combination of Unbundled Network Elements (UNEs) consisting of Unbundled Loops and Unbundled Dedicated Transport, combined using the appropriate Cross-Connects, and where needed, multiplexing. The EEL connects a telecommunications carrier's customer in a Company central office, via an unbundled loop, to a separate Company central office or other facility arrangement within the LATA, via Unbundled Dedicated Transport.

Subject to the terms and conditions of this tariff, the Company will provide EELs, to requesting telecommunications carriers. Upon request, the Company will, where necessary, perform the work to combine its unbundled network elements to provide certain "ordinarily combined" EEL combinations. "Ordinarily combined" means that the requested combination is of a type ordinarily used or functionally similar to that used by the Company or the Company's end users where the Company provides local service.

An EELs combination, as defined above, will be considered an "ordinary combination" unless (1) the Company does not provide services using such a combination of unbundled network elements, (2) where the Company does provide services using such combinations, such provisioning is extraordinary (i.e., a limited combination of elements created in order to provide service to a customer under a unique and nonrecurring set of circumstances), or (3) the EEL combination contains a network element, feature, or functionality that the Commission does not require the Company to provide as or in conjunction with an Unbundled Network Element.

Irrespective of the definition of ordinarily combined and the associated criteria established above, the Company will, upon request, perform the work to combine the eight unbundled network element combinations proposed in the Ameritech Illinois 271 Amendment filed on March 28, 2001, which include:

- 2-Wire Analog Loop to DS1 or DS3 Dedicated Transport facilities
- 4-Wire Analog Loop to DS1 or DS3 Dedicated Transport facilities
- 2-Wire Digital Loop to DS1 or DS3 Dedicated Transport facilities
- 4-wire Digital Loop (DS1 Loop) to DS1 or DS3 Dedicated Transport facilities

All other ordinary loop and dedicated transport combinations shall be requested through the BFR-OC process outlined in Section 1 of this Part.

(N)

Issued: July 11, 2002

Effective: July 12, 2002

By Rhonda J. Johnson, Vice President - Regulatory Affairs
225 West Randolph Street
Chicago, Illinois 60606

PART 19 - Unbundled Network Elements and Number
Portability

SECTION 20 - Enhanced Extended Loop (EEL)

3rd Revised Sheet No. 2

1. PROVISION OF ENHANCED EXTENDED LOOP (EEL) (cont'd)

(N)

General (cont'd)

When a telecommunications carrier requests the migration of currently combined Unbundled Network Elements to an EELs arrangement from an existing retail, special access, private line, or other arrangement, the Company will not, except at the explicit direction of the requesting carrier separate the combination. Currently combined Unbundled Network Elements may be migrated to EELs even if the resulting EEL is not an "ordinarily combined" EEL.

A telecommunications carrier may only request New EELs or the migration of currently combined Unbundled Network Elements to an EEL arrangement from an existing special access arrangement when the carrier can certify, and does so in writing, that the telecommunications carrier uses that EEL arrangement to provide a significant amount of local exchange service to its end-user customer pursuant to the criteria set forth by the Federal Communications Commission (FCC) in CC Docket No. 96-98, Supplemental Order Clarification, FCC 00-183, released June 2, 2000, as may be clarified or modified in subsequent FCC orders. For the purposes of this paragraph, the term New EEL means any EEL (including the eight EELs listed above) created by the Company at the request of a telecommunications carrier by doing the work to combine unbundled network elements that are not currently combined at the time of the request.

When a telecommunications carrier requests a network elements platform referred to in this Section, without the need for field work outside of the central office, for an end user that has existing local exchange telecommunications service provided by an incumbent local exchange carrier, or by another telecommunications carrier through the incumbent local exchange carrier's network elements platform, unless otherwise agreed by the telecommunications carriers, the incumbent local exchange carrier shall provide the requesting telecommunications carrier with the requested network elements platform within 3 business days for at least 95% of the requests for each requesting telecommunications carrier for each month. For such requests, the incumbent local exchange carrier shall provide the requested network element platform without any disruption to the end user's services. The service installation interval for requests for all other network elements platforms referred to in this Section shall be provided consistent with Section 13-801(d)(5) of the PUA or existing Commission orders. Where intervals are not defined, installation shall be provided at parity with the comparable retail service of the Company.

(N)

Issued: July 11, 2002

Effective: July 12, 2002

By Rhonda J. Johnson, Vice President - Regulatory Affairs
225 West Randolph Street
Chicago, Illinois 60606

PART 19 - Unbundled Network Elements and Number
Portability
SECTION 20 - Enhanced Extended Link (EEL)

6th Revised Sheet No. 3
Cancels
3rd Revised Sheet No. 3

1. PROVISION OF ENHANCED EXTENDED LOOP (EEL) (cont'd)

General (cont'd)

Unless otherwise provided in an interconnection agreement or amendment thereto between the Company and a telecommunications carrier which is dated after June 30, 2001, that telecommunications carrier shall be permitted to subscribe to EELs under this tariff regardless whether or not the telecommunications carrier has an effective interconnection agreement with the Company pursuant to Section 252 of the Telecommunications Act of 1996.

The Company intends that this tariff fully complies with the Company's obligations under the Illinois Public Utilities Act as amended effective June 30, 2001 ("Illinois PUA").

The Company has filed this tariff under compulsion of the Illinois Public Utilities Act, including as amended by Illinois Public Act 92-0022, and specifically reserves any and all rights and remedies it may have relating to possible challenges to Illinois Public Act 92-0022 and this tariff under state and federal law, including federal preemption law.

Terms and conditions offered by the Company set forth in this Part 19, Section 20 for Provision of EEL as required at 13-801(d)(3) by amendment to the Illinois Public Utilities Act effective June 30, 2001, shall no longer be offered by the Company in the event that section 13-801(d)(3) is repealed, expires or otherwise no longer effective as enacted as on June 30, 2001.

Rate Application and Prices

Recurring Charges

The Company will apply all recurring charges applicable to each UNE comprising the combination as defined in Part 19, Section 2, Unbundled Loops and HFPL, and Part 19, Section 12, Unbundled Interoffice Transport. Recurring charges for entrance facilities only apply to non-
collocated EELs.

(C)
(C)

Non-Recurring Charges

The non-recurring charges applicable to New EELs are listed below. The rate application descriptions are set forth in Part 19, Section 2, Unbundled Loops and HFPL and Part 19, Section 12, Unbundled Interoffice Transport with the following Interoffice Transport rate clarification:

Issued: April 3, 2003

Effective: May 19, 2003

By Rhonda J. Johnson, Vice President - Regulatory Affairs
225 West Randolph Street
Chicago, Illinois 60606

PART 19 - Unbundled Network Elements and Number
Portability
SECTION 20 - Enhanced Extended Link (EEL)

7th Revised Sheet No. 4
Cancels
6th Revised Sheet No. 4

1. PROVISION OF ENHANCED EXTENDED LOOP (EEL) (cont'd)

Rate Application and Prices (cont'd)

Nonrecurring Charges (cont'd)

Design and Central Office Connection Charge applies per Interoffice Transport Facility provided.

Carrier Connection Charge applies to non-collocated EELs only. The charge applies for each termination per Interoffice Transport Facility provided. (C) (C)

<u>Description</u>	<u>Nonrecurring Charge</u>
--------------------	----------------------------

EEL(2-Wire Analog Loop to DS1 or DS3, Dedicated Transport) Combination^{/1/}

Service Order Charge, per order	\$ 2.58
Line Connection Charge, per termination	20.21

For DS1 Interoffice Transport or DS1 Entrance Facility^{/1/}

Administration Charge, per order	406.61
Design and C.O. Connection Charge, per circuit	632.71
Carrier Connection Charge, per termination	585.51
Clear Channel Capability, per 1.544 Mbps circuit arranged	443.18

For DS3 Interoffice Transport or DS3 Entrance Facility^{/1/}

Administration Charge, per order	308.22
Design and C.O. Connection Charge, per circuit	671.16
Carrier Connection Charge, per termination	377.25

EEL(4-Wire Analog Loop to DS1 or DS3, Dedicated Transport) Combination^{/1/}

Service Order Charge, per order	2.58
Line Connection Charge, per termination	20.21

/1/ Pursuant to the Order in Docket 01-0662, the rates contained in this tariff are interim and subject to true-up from February 6, 2003, to when permanent rates are established.

Issued: April 3, 2003

Effective: May 19, 2003

By Rhonda J. Johnson, Vice President - Regulatory Affairs
225 West Randolph Street
Chicago, Illinois 60606

PART 19 - Unbundled Network Elements and Number
Portability
SECTION 20 - Enhanced Extended Link (EEL)

6th Revised Sheet No. 5
Cancels
3rd Revised Sheet No. 5

1. PROVISION OF ENHANCED EXTENDED LOOP (EEL) (cont'd)

Rate Application and Prices (cont'd)

Nonrecurring Charges (cont'd)

Description	Nonrecurring Charge	
<u>EEL (4-Wire Analog Loop to DS1 or DS3, Dedicated Transport) Combination^{/1/} (cont'd)</u>		(T)
For DS1 Interoffice Transport or DS1 Entrance Facility^{/1/}		(T)
Administration Charge, per order	\$406.61	
Design and C.O. Connection Charge, per circuit	632.71	
Carrier Connection Charge, per termination	585.51	
Clear Channel Capability, per 1.544 Mbps circuit arranged	443.18	
For DS3 Interoffice Transport or DS3 Entrance Facility^{/1/}		(T)
Administration Charge, per order	308.22	
Design and C.O. Connection Charge, per circuit	671.16	
Carrier Connection Charge, per termination	377.25	
<u>EEL (2-Wire Digital Loop to DS1 or DS3, Dedicated Transport) Combination^{/1/}</u>		(T)
Service Order Charge, per order	2.58	
Line Connection Charge, per termination	20.21	
For DS1 Interoffice Transport or DS1 Entrance Facility^{/1/}		(T)
Administration Charge, per order	406.61	
Design and C.O. Connection Charge, per circuit	632.71	
Carrier Connection Charge, per termination	585.51	
Clear Channel Capability, per 1.544 Mbps circuit arranged	443.18	

/1/ Pursuant to the Order in Docket 01-0662, the rates contained in this tariff are interim and subject to true-up from February 6, 2003, to when permanent rates are established. (N)
|
(N)

Issued: February 28, 2003

Effective: March 1, 2003


By Rhonda J. Johnson, Vice President - Regulatory Affairs
225 West Randolph Street
Chicago, Illinois 60606

Tab 5

Attachment 5

Eric Harstad

From: Gavin McCarty
Sent: Friday, August 01, 2003 5:28 PM
To: Eric Harstad
Subject: FW: Installation Charges



Installation Charges.xls

-----Original Message-----

From: Eric Wince
Sent: Friday, August 01, 2003 5:23 PM
To: Gavin McCarty
Subject: FW: Installation Charges

-----Original Message-----

From: Eric Wince [mailto:ewince@global-com.com] On Behalf Of Eric Wince
Sent: Tuesday, August 13, 2002 10:04 AM
To: 'Peggy Beata (E-mail)'; 'Thomas Harvey (E-mail)'
Subject: Installation Charges

Thomas and Peggy:

As discussed briefly yesterday, Globalcom feels that there is a rating methodology discrepancy for installation charges between FCC/ICC Special Access Service and Enhanced Extended Loop (EEL). The issue is that for a retail DS1 under the Special Access tariff there are only three NRC rate elements that apply: 1) Administrative Charge Per Order; 2) Design and Co Connection Charge per circuit; and 3) Customer connection Charge per termination. However, it appears that when Globalcom attempts to order the equivalent EEL combination for a retail DS1, Ameritech is using a different methodology and increasing the NRC's substantially for the exact same product. The NRC we are discussing are for new EELs. It appears that the same EEL circuit, as compared to FCC Special Access, has four new rate elements used for the calculation of EEL NRC. The pricing is inconsistent with the tariffed method on FCC Special Access. Globalcom feels that Ameritech/SBC is adding new NRC charges that are not warranted and inconsistent with the method by which Ameritech calculates NRCs for FCC and ICC Special Access Services. I have attached a spreadsheet outlining the differences. In addition when installing DS1s on a higher capacity DS3 mux certain NRCs and MRCs are eliminated on FCC and ICC tariffs due to Globalcom supplying the transport (DS3 Mux) back to our facilities at 717 S. Wells. This DS3 facility provides the transport and therefore we do not feel that Globalcom should be charged any NRCs for DS1 Interoffice Transport Facility. The only NRCs that we should be billed is \$661.02 for the EEL 4-wire digital loop to DS1 or DS3 Combination and not the combined total of \$2,729.03 as indicated by Ameritech yesterday which included all the elements in the attached spreadsheet.

There was a comment made from Ameritech yesterday that internally there was some debate as to what the NRCs would be. We would like to get clarification on these NRCs.

Eric Wince
 Globalcom, Inc.
 Chief Technical Officer
 333 West Wacker Drive
 Chicago, IL 60606-1231
 Phone: 312.895.8818 x103
 Fax: 312.492.1414
 Service: 800.589.1531

Tab 5

Attachment 6

Eric Harstad

From: Roger Wurster
Sent: Tuesday, August 05, 2003 11:24 AM
To: Eric Harstad
Subject: FW: EEL Option 1 Pricing

-----Original Message-----

From: Roger Wurster
 Sent: Wednesday, August 21, 2002 2:54 PM
 To: 'mb6432@sbc.com'
 Subject: EEL Option 1 Pricing

Peggy, great news you delivered today! Thank you for everything that you and your team has accomplished for us. We here at Globalcom appreciate all the time and energy you have given.

Just want to recap on what we talked about this morning on Option 1 pricing as well before I talk with Eric.

An entrance Facility Mux DS3 pricing:
 Admin. Charge per order - \$308.22
 Design & C.O Connection charge per circuit - \$632.71
 Carrier Connection Charge, per termination - \$377.25
 DS3 Mux Total - \$1318.18

4W Digital Loop Dedicated Transport:
 Admin charge per order - \$142.93
 Design & CO connection charge, per circuit - \$332.61
 Carrier connection, per termination - \$185.48
 If Desired for clear channel an additional \$443.18

T1 Dedicated Totals:
 Standard T1 - \$661.02
 Clear Channel - \$1104.20

Once again thank you again for all of your hard work and dedication to this project. With this new pricing, Globalcom will become one of your largest customers in a very short amount of time!

Roger M. Wurster
 V.P., Network Engineering/Operations
 mailto:rwurster@global-com.com
 312-893-0294 Wk.
 312-895-0727 Fax

You get what you expect. Believe in your dreams!

Tab 5

Attachment 7

Eric Harstad

From: BEATA, MARGARET (AIT) [mb6432@sbc.com]
Sent: Wednesday, August 21, 2002 4:36 PM
To: Roger Wurster
Cc: BEATA, MARGARET (AIT)
Subject: RE: EEL Option 1 Pricing

Thank you for your note, Roger. You're very welcome.

My corrections within the attached.

Peggy Beata
 Director -- Account Management
 312-335-7340 office
 312-740-4126 pager
 mb6432@sbc.com

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-----Original Message-----

From: Roger Wurster [mailto:rwurster@global-com.com]
Sent: Wednesday, August 21, 2002 2:54 PM
To: BEATA, MARGARET (AIT)
Subject: EEL Option 1 Pricing

Peggy, great news you delivered today! Thank you for everything that you and your team has accomplished for us. We here at Globalcom appreciate all the time and energy you have given.

Just want to recap on what we talked about this morning on Option 1 pricing as well before I talk with Eric.

An entrance Facility Mux DS3 pricing:
 Admin. Charge per order - \$308.22
 Design & C.O Connection charge per circuit - \$671.16
 Carrier Connection Charge, per termination - \$377.25
 DS3 Mux Total - \$1356.63

4W Digital Loop Dedicated Transport:
 Admin charge per order - \$142.93
 Design & CO connection charge, per circuit - \$332.61
 Carrier connection, per termination - \$185.48
 If Desired for clear channel an additional \$443.18

T1 Dedicated Totals:
 Standard T1 - \$661.02
 Clear Channel - \$1104.20

Once again thank you again for all of your hard work and dedication to this project. With this new pricing, Globalcom will become one of your largest customers in a very short amount of time!

Roger M. Wurster
 V.P., Network Engineering/Operations

<mailto:rwurster@global-com.com>

312-893-0294 Wk.

312-895-0727 Fax

You get what you expect. Believe in your dreams!

Tab 5

Attachment 8

X



BILL NO 217 G68-5767 358
 INVOICE NO G685767358-03109
 BILL DATE APR 19, 2003
 PAGE 79

* * * DETAIL OF OTHER CHARGES AND CREDITS * * * (CONT'D)

BIP AMOUNT
 --- -----

APR 01 2003 SO C2685234826 PON LLJOHN08364124

ONE-TIME CHARGE FOR

* ORCMX	1 ADMINISTRATIVE CHARGE	
	INTRASTATE/INTRALATA - IL	406.61
SEPUP	1 NON-RECURING CHG-UNBUNDLED SVC ORD	
	PROCESSING CHG-ESTABLISH	
	INTRASTATE/INTRALATA - IL	13.17

ACCESS SERVICE GROUP 312922

CIRCUIT NUMBER .DHXU.208312..LB

CIRCUIT LOCATION 1

ONE-TIME CHARGE FOR

NRBBL	1 CUSTOMER CONNECTION CHARGE	
	INTRASTATE/INTRALATA - IL	585.51
NRBCL	1 CENTRAL OFFICE CONNECT & DESIGN CHG	
	INTRASTATE/INTRALATA - IL	632.71
SEPUC	1 NONRECUR CHG - UNBUNDLED SVC	
	LINE CONNECT SVC ESTABLISHMENT	
	INTRASTATE/INTRALATA - IL	25.08

NZC'S
 BILLED
 \$1,663.08

CHARGE FOR ACCESS SERVICE ADDED

FROM APR 01 2003 THRU APR 18 2003

CZ4XC	1 SPCL-CHANNEL MILEAGE TERMINATION	
	-PER POINT OF MILEAGE TERMINATION	
	INTRASTATE/INTRALATA - IL	9.83
CXCDX	1 MISC-EXPANDED INTERCONNECTION	
	DS1 CROSS CONNECTION	
	INTRASTATE/INTRALATA - IL	.24
UEYBC	1 ENT FAC - DS1 - AREA C	
	INTRASTATE/INTRALATA - IL	34.88

CIRCUIT LOCATION 2

CHARGE FOR ACCESS SERVICE ADDED

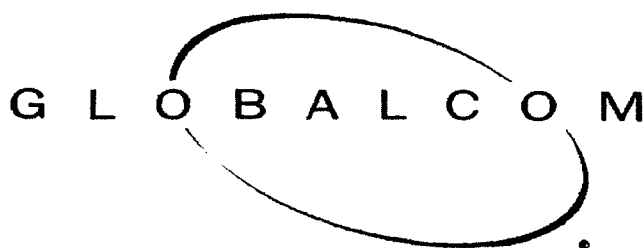
FROM APR 01 2003 THRU APR 18 2003

CZ4XC	1 SPCL-CHANNEL MILEAGE TERMINATION	
	-PER POINT OF MILEAGE TERMINATION	
	INTRASTATE/INTRALATA - IL	9.83
4U1XC	1 DIGITAL 4 WIRE 1.544 MBPS	
	INTRASTATE/INTRALATA - IL	34.88
1YZXC	35 SPCL-CHANNEL MILEAGE	
	INTRASTATE/INTRALATA - IL	37.29

CONTINUED

Tab 5

Attachment 9



333 West Wacker Drive
15th Floor
Chicago, IL 60606
(312) 895-8818

FAX COVERSHEET

TO: Ameritech CAB – Billing Disputes **Fax No.** (414) 678-2550

FROM: Don Archiable **Fax No.** (312) 893-0168

Date: January 9, 2003 **Pages (including cover)** 9

Re: Billing Dispute – BAN ID 217 G68-5767 358

Message:

See attached billing dispute. Please call (312) 893-0167 if you have any questions. Thank you.

January 9, 2003

Illinois Bell Telephone Company
d/b/a Ameritech Illinois
P.O. Box 1838
Saginaw, MI 48605-1838

RE: Bill No. 217 G68-5767 358
Bill Date Nov 19, 2002
Invoice No. G685767358-02292

Globalcom, Inc. hereby notifies Illinois Bell Telephone Company, d/b/a Ameritech Illinois, that it disputes Invoice No. G685767358-02323.

This notice is intended to comply with the interconnection agreement dispute process.

Globalcom, Inc. disputes the invoice for the following reasons:


- USOC CXCT4- Section 13-801(g) of the Illinois Telecommunications Act provides that all charges for network elements must be cost based and approved by the Illinois Commerce Commission ("Commission"). Please identify the Docket No. where the Commission has approved this rate element on an interim or permanent basis. It is Globalcom, Inc.'s policy that it will not pay any recurring or non-recurring rates for network elements unless such rates are cost based, using TELRIC, and approved by the Commission on either a permanent or interim basis.
- USOC CZ4X_ - Section 13-801(g) of the Illinois Telecommunications Act provides that all charges for network elements must be cost based and approved by the Commission. Please identify the Docket No. where the Commission has approved this rate element on an interim or permanent basis as cost based using TELRIC. It is Globalcom, Inc.'s policy that it will not pay any recurring or non-recurring rates for network elements unless such rates are cost based, using TELRIC, and approved by the Commission on either an interim or permanent basis.
- USOC CXCDX - Section 13-801(g) of the Illinois Telecommunications Act provides that all charges for network elements must be cost based and approved by the Commission. Please identify the Docket No. where the Commission has approved this rate element on an interim or permanent basis as cost based using TELRIC. It is Globalcom, Inc.'s policy that it will not pay any recurring or non-recurring rates for network elements unless such rates are cost based, using TELRIC, and approved by the Commission on either an interim or permanent basis.
- USOC 4U1X_ - Section 13-801(g) of the Illinois Telecommunications Act provides that all charges for network elements must be cost based and approved by the Commission. Please identify the Docket No. where the Commission has approved this rate element on an interim or permanent basis as cost based using TELRIC. It is Globalcom, Inc.'s policy that it will not pay any recurring or non-recurring rates for network elements unless such rates are cost based, using TELRIC, and approved by the Commission on either an interim or permanent basis.



- USOC 1YZX - Section 13-801(g) of the Illinois Telecommunications Act provides that all charges for network elements must be cost based and approved by the Commission. Please identify the Docket No. where the Commission has approved this rate element on an interim or permanent basis as cost based using TELRIC. It is Globalcom, Inc.'s policy that it will not pay any recurring or non-recurring rates for network elements unless such rates are cost based, using TELRIC, and approved by the Commission on either an interim or permanent basis.
- USOCs SEPUP and SUPUC - Globalcom disputes charges for these USOCs which are not identified nor referenced in ILL. C.C. No. 20, Part 19, Section 20, EEL 4-wire digital loop to DS1 dedicated transport combination.
- USOCs ORCMX, NRBBL, NRBCL - Globalcom disputes Ameritech's billing of EEL DS1 Interoffice Transport or DS1 Entrance Facility non-recurring charges for EEL 4 wire digital loop to DS1 dedicated transport combinations.
- Late Payment Charges - Globalcom disputes late payment charges incurred on previously disputed amounts.

Please find attached a detail of the above referenced disputes. Please contact me directly to discuss this dispute. I can be contacted at (312) 893-0167 and at darchiable@global-com.com.

Very truly yours,



Don Archiabile
Controller
Globalcom, Inc.

DSA/nrm

cc: M. Gavin McCarty, GCOM
Eric Wince, GCOM
Paul Dorin, SBC

Attachments



Attachment I

Summary of Charges

	<u>Per Invoice</u>	
NRC's - Entrance Facilities	-	
NRC's - 4 Wire Digital Loops	39,494.14	Disputed
NRC's - Canceled Circuits	(54.39)	
Other NRC's	323.38	
 MRC's - Entrance Facilities	 3.72	 Disputed
MRC's - 4 Wire Digital Loops	11,609.70	Disputed
 Pro-Rated - Entrance Facilities	 -	
Pro-Rated - 4 Wire Digital Loops	1,638.46	Disputed
 LPC's	 <u>538.14</u>	 Disputed
 Total Charges	 53,553.15	
 Total Disputed	 53,284.16	

Attachment III

BILLED PER AMERITECH - GLOBALCOM DS-3 ENTRANCE FACILITIES

Circuit ID	Svc Estbl	CHARGES		Total
		CXCT4	CXCT4	
801U LP212 STS1 31 CHCGILWB CHCGIL24H21	09/12/02	0.31	0.31	0.62
804U LP212 STS1 32 CHCGILWB CHCGIL24H21	09/13/02	0.31	0.31	0.62
802U LP212 STS1 34 CHCGILWB CHCGIL24H21	09/13/02	0.31	0.31	0.62
805U LP212 STS1 35 CHCGILWB CHCGIL24H21	09/16/02	0.31	0.31	0.62
803U LP212 STS1 36 CHCGILWB CHCGIL24H21	09/13/02	0.31	0.31	0.62
806U LP212 STS1 37 CHCGILWB CHCGIL24H21	10/07/02	0.31	0.31	0.62
				<hr/>
				3.72 Total Billed

Attachment V

BILLED PER AMERITECH - END USER 4-WIRE DIGITAL LOOP WITH DS-1 DEDICATED TRANSPORT COMBINATION

CHARGES								
CLF	CFA	Circuit ID	ORCMX	SEPUP	NRBBL	NRBCL	SUPUC	Total
803U	12	.DHXU.205819..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
803U	11	.DHXU.205823..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
806U	1	.DHXU.206200..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
803U	25	.DHXU.206254..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
805U	12	.DHXU.206298..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
803U	27	.DHXU.206299..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
806U	3	.DHXU.206334..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
805U	6	.DHXU.206335..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
805U	13	.DHXU.206347..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
805U	14	.DHXU.206353..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
802U	7	.DHXU.206361..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
806U	4	.DHXU.206362..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
802U	14	.DHXU.206399..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
801U	12	.DHXU.206412..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
806U	5	.DHXU.206429..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
802U	16	.DHXU.206430..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
806U	8	.DHXU.206492..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
805U	16	.DHXU.206499..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
805U	18	.DHXU.206506..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
806U	6	.DHXU.206510..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
803U	14	.DHXU.205999..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
802U	11	.DHXU.205772..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
802U	12	.DHXU.205849..LB	406.61	13.17	585.51	632.71	25.08	1,663.08
802U	13	.DHXU.205850..LB	0	0	585.51	632.71	25.08	1,243.30
								39,494.14 Total Billed

DE-DICATED TRANSPORT COMBINATION												
CFA	CLF	Challid ID	Area	CXAZ	CLXZ	CXCDZ	CXAZ	CLXZ	CXCDZ	17XZ	CXCDZ	Total
CHANGES												
17	DHXL	205562E	18	B	17.35	0	1.29	17.35	73.48	0.43	75.16	
18	DHXL	205628E	18	B	17.35	0	1.29	17.35	61.45	9.40	0.43	131.27
19	DHXL	205652E	18	B	17.35	0	1.29	17.35	61.45	33.84	0.43	131.71
20	DHXL	205654E	18	B	17.35	0	1.29	17.35	61.45	38.48	0.43	137.48
21	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	38.48	0.43	137.48
22	DHXL	205658E	18	B	17.35	0	1.29	17.35	73.48	1.88	0.43	111.76
23	DHXL	205658E	18	B	17.35	0	1.29	17.35	73.48	38.48	0.43	137.48
24	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	47.00	0.43	144.64
25	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	56.40	0.43	154.36
26	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	1.88	0.43	111.76
27	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	33.84	0.43	131.27
28	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	38.48	0.43	137.48
29	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	38.48	0.43	137.48
30	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	31.96	0.43	129.84
31	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	41.36	0.43	138.24
32	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	50.76	0.43	148.74
33	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	18.84	0.43	119.76
34	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	28.24	0.43	129.48
35	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	37.64	0.43	139.64
36	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	47.00	0.43	149.64
37	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	56.40	0.43	159.64
38	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	1.88	0.43	111.76
39	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	33.84	0.43	131.27
40	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	38.48	0.43	137.48
41	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	38.48	0.43	137.48
42	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	38.48	0.43	137.48
43	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	38.48	0.43	137.48
44	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	38.48	0.43	137.48
45	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	38.48	0.43	137.48
46	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	38.48	0.43	137.48
47	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	38.48	0.43	137.48
48	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	38.48	0.43	137.48
49	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	38.48	0.43	137.48
50	DHXL	205658E	18	B	17.35	0	1.29	17.35	61.45	38.48	0.43	1

Attachment VII

BILLED PER AMERITECH - END USER 4-WIRE DIGITAL LOOP WITH DS-1 DEDICATED TRANSPORT COMBINATION

CHARGES													Total	Pro Rated
CLF	CFA	Circuit ID	Svc Estbl	Inv Date	Days	CZ4X	CLYX	CXCDX	CZ4X	4U1X	1YZX	CXCDX		
803U	12	.DHXU.205819..LB	10/24/02	11/19/02	24	17.35	0.00	1.29	17.35	61.45	16.92	0.43	114.79	91.83
803U	11	.DHXU.205823..LB	10/23/02	11/19/02	25	17.35	0.00	1.29	17.35	61.56	69.56	0.43	167.54	139.63
806U	1	.DHXU.206200..LB	10/28/02	11/19/02	20	17.35	0.00	1.29	17.35	61.45	9.40	0.43	107.27	71.53
803U	25	.DHXU.206254..LB	11/07/02	11/19/02	11	17.35	0.00	1.29	17.35	61.45	52.64	0.43	150.51	55.18
805U	12	.DHXU.206298..LB	11/15/02	11/19/02	3	17.35	0.00	1.29	17.35	61.56	39.48	0.43	137.46	13.76
803U	27	.DHXU.206299..LB	10/31/02	11/19/02	18	17.35	0.00	1.29	17.35	61.45	24.44	0.43	122.31	73.38
806U	3	.DHXU.206334..LB	11/12/02	11/19/02	6	17.35	0.00	1.29	17.35	61.45	9.40	0.43	107.27	21.46
805U	6	.DHXU.206335..LB	11/15/02	11/19/02	3	17.35	0.00	1.29	17.35	61.45	9.40	0.43	107.27	10.74
805U	13	.DHXU.206347..LB	11/04/02	11/19/02	14	17.35	0.00	1.29	17.35	73.46	1.88	0.43	111.76	52.16
805U	14	.DHXU.206353..LB	10/30/02	11/19/02	18	17.35	0.00	1.29	17.35	61.56	52.64	0.43	150.62	90.37
802U	7	.DHXU.206361..LB	11/04/02	11/19/02	14	17.35	0.00	1.29	17.35	61.45	24.44	0.43	122.31	57.09
806U	4	.DHXU.206362..LB	11/04/02	11/19/02	14	17.35	0.00	1.29	17.35	61.45	22.56	0.43	120.43	56.21
802U	14	.DHXU.206399..LB	11/12/02	11/19/02	6	17.35	0.00	1.29	17.35	73.46	3.76	0.43	113.64	22.73
801U	12	.DHXU.206412..LB	11/06/02	11/19/02	12	17.35	0.00	1.29	17.35	61.56	39.48	0.43	137.46	54.98
806U	5	.DHXU.206429..LB	11/11/02	11/19/02	7	17.35	0.00	1.29	17.35	61.56	69.56	0.43	167.54	39.09
802U	16	.DHXU.206430..LB	11/11/02	11/19/02	7	17.35	0.00	1.29	17.35	61.45	52.64	0.43	150.51	35.12
806U	8	.DHXU.206492..LB	11/15/02	11/19/02	3	17.35	0.00	1.29	17.35	61.56	39.48	0.43	137.46	13.76
805U	16	.DHXU.206499..LB	11/15/02	11/19/02	3	17.35	0.00	1.29	17.35	61.45	16.92	0.43	114.79	11.49
805U	18	.DHXU.206506..LB	11/18/02	11/19/02	0	17.35	0.00	1.29	17.35	61.56	45.12	0.43	143.10	0.00
806U	6	.DHXU.206510..LB	11/15/02	11/19/02	3	17.35	0.00	1.29	17.35	61.56	47.00	0.43	144.98	14.51
803U	14	.DHXU.205999..LB	10/21/02	11/19/02	27	17.35	0.00	1.29	17.35	61.56	90.24	0.43	188.22	169.39
802U	11	.DHXU.205772..LB	09/30/02	11/19/02	48	17.35	0.00	1.29	17.35	61.56	62.04	0.43	160.02	256.03
802U	12	.DHXU.205849..LB	10/21/02	11/19/02	27	17.35	0.00	1.29	17.35	61.56	62.04	0.43	160.02	144.01
802U	13	.DHXU.205850..LB	10/21/02	11/19/02	27	17.35	0.00	1.29	17.35	61.56	62.04	0.43	160.02	144.01
													1,638.46	Total Billed

Attachment VIII

BILLED PER AMERITECH - CANCELLED CIRCUITS AND OTHER NRC**Cancelled Circuits**

<u>CLF</u>	<u>CFA</u>	<u>Circuit ID</u>	<u>Svc Estbl</u>	<u>CHARGES</u>						<u>Total</u>
				<u>CZ4X</u>	<u>CXCDX</u>	<u>CZ4X</u>	<u>4U1X</u>	<u>1YZX</u>	<u>CXCDX</u>	
803U	8	.DHXU.205780..LB	10/07/02	(6.36)	(0.47)	(6.36)	(22.53)	(3.45)	(0.16)	(39.33)
802U	25	.DHXU.205797..LB	10/15/02	(1.74)	(0.13)	(1.74)	(6.15)	(5.26)	(0.04)	(15.06)

Other NRC's

<u>CLF</u>	<u>CFA</u>	<u>Circuit ID</u>	<u>Svc Date</u>	<u>CHARGES</u>			
				<u>ALH</u>	<u>VRP</u>	<u>MVV</u>	
805U	4	.DHXU.205555..LB	10/31/02	-	71.00	95.08	
802U	21	.DHXU.206077..LB	10/31/02	157.3	-	-	
						<u>323.38</u>	Total Billed

Tab 5

Attachment 10

Don Archiable

From: BUYCKS, SELMA S (AIT) [sb7315@sbc.com]
Sent: Thursday, July 17, 2003 4:52 PM
To: Don Archiable
Cc: BEATA, MARGARET (AIT); FAUSTMANN, DANIEL K (SBCSI); PARKER, LISA (SBCSI);
 BUYCKS, SELMA S (AIT)
Subject: Globalcom - Written Explanation of Charges Associated with New EEL Orders

Welcome back from vacation, Don. I hope it was an enjoyable one for you.

In past conversations we had during the March/April timeframe, we discussed the charges Globalcom was assessed regarding their ordering of EELs. At that time an investigation was conducted with the LSC Billing group and Product Management. In a subsequent conversation, Globalcom felt that the charges were based off of pricing within Globalcom's Interconnection Agreement instead of the EELs tariff. In your letter dated February 7, 2003, Globalcom stated it is their policy that it will not pay any recurring or non-recurring rates for network elements unless such rates are cost based using TELRIC and approved by the Commission on either an interim or permanent basis. Illinois EELs Tariff, Part 20, Section 20 - Rate Application and Prices details charges associated with ordering a "new" EEL. For all instances where there were conversions from Special Access to UNE, Globalcom only incurred a record order charge. The samples you provided reflect accurate charges for new EELs.

Listed below are the non-recurring charges associated with a new EEL order that is taken directly from Illinois Tariff Part 20, Section 20 - Enhanced Extended Link (Rate Application and Prices):

Monthly Recurring Charges

All disputes for monthly recurring charges were for access services added and were found to be valid charges. Associated disputes were denied. Globalcom agreed to pay on these charges.

Non-Recurring Charges

Billed To	Tariff	USOC Description
USOC		
GCG	Rate	
ORCMX		Administrative Charge-Intrastate/IntraLATA
\$406.61		\$406.61
SEPUP		NRC-Unbundled Service Order Charge #
13.17		#
NRBBL		Customer Connection Charge*
585.51		585.51
NRBCL		Central Office Connection & Design Charge
632.71		632.71
SEPUC		NRC-Unbundled Service Establishment Charge #
25.08		#

* Applies to all non-collocated EELs

Associated UNE Loop NRC charges and associated UDT NRC - Sum
of
all Parts

In your 5-15-03 e-mail you stated that Globalcom was being charged incorrectly for the above recurring and non-recurring charges. The above charges are valid charges for new EEL DS-1s. I hope this helps to explain why the disputes Globalcom had filed for the ordering of new EELs were denied and payment (including associated late payment charges) is expected to be rendered within the timeframes outlined by our SBC Collections organization.

If you have any questions or would like to discuss this issue further, please do not hesitate to contact me at your earliest convenience.

Selma Buycks
Account Manager-SBC Midwest
Ofc: 312-335-6544
Fax: 312-335-2927
sb7315@sbcc.com

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Tab 5

Attachment 11

Eric Harstad

From: BUYCKS, SELMA S (AIT) [sb7315@sbc.com]
Sent: Tuesday, July 22, 2003 10:07 AM
To: Don Archiabile
Cc: 'BEATA, MARGARET (AIT)'; 'FAUSTMANN, DANIEL K (SBCSI)'; 'PARKER, LISA (SBCSI)'
Subject: RE: Globalcom - Written Explanation of Charges Associated with New EEL Orders
 Don:

The information I provided is correct. I checked with our Product Management team again. For the product you ordered:

EEL (4-Wire Digital Loop to DS1 or DS3, Dedicated Transport) Combination, the charges that apply for new EELs are as follows and this is taken directly from your ICA which also matches what's listed in the Illinois EELs tariff. Your calculations only include the loop portion of the combination. EELs consist of loop and transport and the transport piece has charges associated with it as well.

For New EELS:

EEL (4 Wire Digital Loop to DS1 or DS3, Dedicated Transport) Combination

<u>LOOP PORTION</u>	Admn Charge, per order	\$142.93
	Design and central office connection charge	\$332.61
	Carrier Connection Charge	\$185.84

PLUS

	<u>For DS1 Interoffice Transport or DS1 Entrance Facility</u>
<u>TRANSPORT PORTION</u>	Admn Charge, per order
	Design and C.O. Connection Charge, per circuit
	Carrier Connection Charge, per termination

I am investigating the circuits you sent over on the spreadsheet this a.m. to verify if they were conversions or new installs. My initial investigation is pointing to these circuits as being "a disconnect of a special access circuit and then an install of a new EEL". I will provide additional information on our 3:00 call today.

Thanks,

Selma Buycks
Account Manager-SBC Midwest
 Ofc: 312-335-6544
 Fax: 312-335-2927
 sb7315@sbc.com

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-----Original Message-----

From: Don Archiabile [mailto:darchiabile@global-com.com]
Sent: Monday, July 21, 2003 2:30 PM
To: BUYCKS, SELMA S (AIT)
Cc: BEATA, MARGARET (AIT); FAUSTMANN, DANIEL K (SBCSI); PARKER, LISA

2003-08-06

(SBCSI)

Subject: RE: Globalcom - Written Explanation of Charges Associated with
New EEL Orders

Selma

The information below is incorrect according to our records. First, you indicated that Globalcom was only charged a record order charge for conversions from Special Access to EEL's - actually, we were charged the same installation for all circuits converted or new. Second, Globalcom still disputes the USOC's charge below. We read the tariff as follows (and this is what we were told the charges would be when we initially ordered EEL's):

From Illinois C.C. No. 20 Part 19 Section 20

EEL (4-Wire Digital Loop to DS1 or DS3, Dedicated Transport) Combination

Administrative Charge, per order

142.93

Design & C.O. Connection Charge, per circuit 332.61

Carrier Connection Charge, per termination 185.48

Please let me know how we can get this resolved. Thanks.

Don Archiable
Globalcom, Inc.
333 W. Wacker Dr. Suite 1500
Chicago, Illinois 60606
Ph: (312) 893-0167
Fax: (312) 893-0168

-----Original Message-----

From: BUYCKS, SELMA S (AIT) [<mailto:sb7315@sbc.com>]

Sent: Thursday, July 17, 2003 4:52 PM

To: Don Archiable

Cc: BEATA, MARGARET (AIT); FAUSTMANN, DANIEL K (SBCSI); PARKER, LISA (SBCSI); BUYCKS, SELMA S (AIT)

Subject: Globalcom - Written Explanation of Charges Associated with New EEL Orders

Welcome back from vacation, Don. I hope it was an enjoyable one for you.

In past conversations we had during the March/April timeframe, we discussed the charges Globalcom was assessed regarding their ordering of EELs. At that time an investigation was conducted with the LSC Billing group and Product Management. In a subsequent conversation, Globalcom felt that the charges were based off of pricing within Globalcom's Interconnection Agreement instead of the EELs tariff. In your letter dated February 7, 2003, Globalcom stated it is their policy that it will not pay any recurring or non-recurring rates for network elements unless such rates are cost based using TELRIC and approved by the Commission on either an interim or permanent basis. Illinois EELs Tariff, Part 20, Section 20 - Rate Application and Prices details charges associated with ordering a "new"

2003-08-06

EEL. For all instances where there were conversions from Special Access to UNE, Globalcom only incurred a record order charge. The samples you provided reflect accurate charges for new EELs.

Listed below are the non-recurring charges associated with a new EEL order that is taken directly from Illinois Tariff Part 20, Section 20 - Enhanced Extended Link (Rate Application and Prices):

Monthly Recurring Charges

All disputes for monthly recurring charges were for access services added and were found to be valid charges. Associated disputes were denied. Globalcom agreed to pay on these charges.

Non-Recurring Charges

Billed To	Tariff
USOC	USOC Description
GCG	Rate
ORCMX	Administrative Charge-Intrastate/IntraLATA
\$406.61	\$406.61
SEPUP	NRC-Unbundled Service Order Charge #
13.17	#
NRBBL	Customer Connection Charge*
585.51	585.51
NRBCL	Central Office Connection & Design Charge
632.71	632.71
SEPUC	NRC-Unbundled Service Establishment Charge #
25.08	#

* Applies to all non-collocated EELs

Associated UNE Loop NRC charges and associated UDT NRC - Sum of all Parts

In your 5-15-03 e-mail you stated that Globalcom was being charged incorrectly for the above recurring and non-recurring charges. The above charges are valid charges for new EEL DS-1s. I hope this helps to explain why the disputes Globalcom had filed for the ordering of new EELs were denied and payment (including associated late payment charges) is expected to be rendered within the timeframes outlined by our SBC Collections organization.

If you have any questions or would like to discuss this issue further, please do not hesitate to contact me at your earliest convenience.

Selma Buycks
Account Manager-SBC Midwest
Ofc: 312-335-6544
Fax: 312-335-2927
sb7315@sbccom

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2003-08-06

Tab 5

Attachment 12



RESALE DEMAND LETTER

July 24, 2003

Globalcom
ATTN: Mr. Greg Robertson
333 W Wacker Drive
Suite 1500
Chicago, IL 60606

Dear Mr. Robertson:

Upon review of the Globalcom accounts with SBC/Midwest, our records indicate a past due balance of [REDACTED] on account number [REDACTED] as of July 24, 2003. This amount consists of balances owed on invoices dated September 19, 2002 through June 19, 2003, specifically for EELs services. All adjustments agreed to by SBC/Midwest have been issued on these invoices. Attached is a listing of the invoices with unpaid balances for your review.

SBC/Midwest expects payment in full by the due date for any and all services rendered. Therefore, it is expected that Globalcom will remit payment in the amount of \$[REDACTED] in three monthly installments of \$[REDACTED] starting July 25, 2003.

Should you fail to meet these terms by the 25th of each month, you may leave SBC/Midwest no alternative but to pursue further collections action, including suspending order provisioning requested by Globalcom or disconnecting service.

If SBC/Midwest does not receive payment by the 25th of each month for a period of three months, SBC/Midwest will pursue its legal remedies.

Previously set arrangements on other outstanding balances remain in effect to avoid further collection action on those amounts.

If you have questions, please feel free to contact me at 800 667 - 1086, x 6014.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lisa Parker', is written over the printed name.

Lisa Parker
Customer Service Representative

cc: Selma Buycks, Account Manager
Peggy Beata, Account Manager-Director
Paul Dorin, Legal
Daniel Faustmann, Finance Manager
Patricia Fleck, Illinois Regulatory
Jolynn B. Butler, Indiana Regulatory
Robin M. Gleason, Michigan Regulatory
Susan Drombetta, Ohio Regulatory
Jon Enriquez, Wisconsin Regulatory

Tab 5

Attachment 13

FILE COPY

July 25, 2003

VIA FACSIMILE (800) 858-6960
AND REGULAR US MAIL

SBC-Illinois

ATTN: Lisa Parker

Customer Service Representative

SBC Illinois

722 North Broadway, 11th

Milwaukee, WI 53202

Dear Ms. Parker:

We are in receipt of your letter dated July 24, 2003, which is a demand for payment of certain disputed amounts.

SBC Illinois has demanded that Globalcom agree on less than twenty-four hours notice to a payment plan for the payment of certain disputed amounts. That demand is both unreasonable and inconsistent with the dispute resolution procedures contained within the parties' interconnection agreement.

As an accommodation, and a good faith effort to move the dispute resolution process forward, Globalcom will make payment of undisputed amounts via wire transfer in the amount of \$[REDACTED]. This amount includes the payment of \$[REDACTED] for May 2003 undisputed MRC's and payment of undisputed NRCs for September 2002 to May 2003 of \$[REDACTED]. This amount exceeds SBC Illinois' requested July 25 payment amount. All Interim NRCs paid for new EELs (4 wire loop dedicated DS1 transport) are subject to true-up once the ICC sets permanent rates.

Please forward proper wiring instructions at your convenience. Payment of undisputed amounts will be made as soon as is practicable upon receipt of wiring instructions. If payment instructions are not sent to me by 3:00 pm cdt Monday, July 28, 2003, then Globalcom will forward payment via overnight courier. By offering to make payment via wire transfer, Globalcom does not agree to alter the practice of making payment via business check, but only offers this payment method as an accommodation to SBC Illinois' demand for payment on less than twenty four hour notice.

SBC has, unfortunately, sidestepped the significant billing issues and has to date not offered any reasonable explanations for its billings of non-recurring charges for both new EELs and conversions. On August 21, 2002, SBC Illinois confirmed in writing, as a joint agreement, the proper application of non-recurring rate elements for new EEL combinations of 4 wire digital loops dedicated DS1 transport. After extensive discussions between the parties, SBC Illinois and Globalcom agreed that the proper aggregate of NRCs for that particular EEL combination is \$661.02. This interpretation of



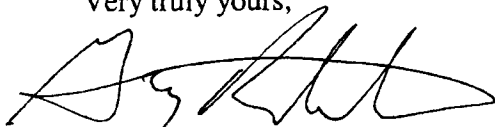
SBC Illinois' own tariffs was agreed to both in writing and orally with senior management at SBC Illinois. As SBC Illinois was aware at the time, Globalcom relied upon that joint agreement to develop and execute its business plan. SBC Illinois has not provided any explanation as to why it has departed from its original interpretation of its tariff and the joint agreement.

That same tariff also provides that all SA to UNE combination reconfigurations are subject to a single record work only charge, *per order* of \$1.02. To date, SBC Illinois has not, in response to billing disputes, provided any reasonable explanation as to why it has departed from the unambiguous tariff requirement of a single record work only charge and the Final Order in ICC Docket 98-0396 and instead charged Globalcom in excess of \$1.02 for its reconfigurations.¹

The remaining balance remains in dispute. In the event that SBC Illinois persists in its demands that Globalcom pay disputed amounts, or in the event that SBC Illinois elects to seek self-help by placing an embargo on Globalcom from ordering services or disconnecting services, Globalcom may have no choice but to seek relief and remedies through the appropriate legal venues.

If you have any questions, please feel free to contact me directly at (312) 895-8825.

Very truly yours,



Gregory L. Robertson
Chief Financial Officer
Globalcom, Inc.

PS: Please forward this letter on to those whom you carbon copied on yours since I do not have contact information for those individuals. Thank you.

cc: John T. Shave, CEO
Eric Wince, CTO

¹ Globalcom as an accommodation to SBC Illinois has agreed to pay NRCs of \$661.02 for each reconfigured SA to UNE. Globalcom makes no admissions, and SBC shall not attempt to use payment as an admission, that SBC Illinois should charge any amounts in excess of a single record work only charge for the reconfiguration of SA to UNEs as done by Globalcom and SBC between May 2002 to the present. Globalcom reserves the right to seek refund of all amounts paid to SBC Illinois for SA to UNE reconfigurations in excess of the lawful amount for such reconfiguration as may be later determined by either a court or administrative agency having proper jurisdiction over the matter. Globalcom reserves the right, and nothing herein shall be construed as limiting any rights, to seek and obtain remedies, including monetary, and penalties from SBC arising from the assessment of charges for SA to UNE reconfigurations in excess of a single Record Work Only charge as set forth in SBC-IL ILL CC No. 20, Part 19, Section 20.

M. Gavin McCarty, CLO
Don Archiabile, Globalcom Controller
Eric Branfman, Swidler Berlin Shereff Friedman
Phil Macres, Swidler Berlin Shereff Friedman
Peggy Beatta, SBC Illinois
Paul Dorin, SBC Illinois
Selma Buycks, SBC Illinois

G L O B A L C O M

CONFIDENTIAL

Facsimile

To:	Lisa Parker	From:	Gregory L. Robertson
Fax:	800-858-6960	Date:	July 25, 2003
Phone:		Pages:	4 (including cover sheet)
Re:	See Attached Letter	CC:	See list below

CC List

John T. Shave, Globalcom, Inc.
Eric Wince, Globalcom, Inc.
M. Gavin McCarty, Globalcom, Inc.
Eric Branfman, Swidler Berlin Shereff Friedman
Phil Macres, Swidler Berlin Shereff Friedman
Peggy Beata, SBC Illinois
Paul Dorin, SBC Illinois
Selma Buycks, SBC Illinois

Facsimile #'s

312-895-7707
312-893-0188
312-893-0145
202-424-7645
202-424-7645
312-755-9350
312-845-8871
312-335-2925

Gregory L. Robertson
Chief Financial Officer

Globalcom, Inc.
333 West Wacker Drive
Suite 1500
Chicago, IL 60606
(312) 895-8825
(312) 893-0133 (facsimile)
grobertson@callglobalcom.com
www.callglobalcom.com

Tab 5

Attachment 14

Eric Harstad

From: BEATA, MARGARET (AIT) [mb6432@sbc.com]
Sent: Monday, August 19, 2002 9:41 AM
To: Eric Wince; Roger Wurster
Subject: GlobalCom EEL OPTIONS



GLOBALCOM NEW

EEL OPTIONS.ppt Per our discussion in your office on 8/15/02 - -

<<GLOBALCOM NEW EEL OPTIONS.ppt>>

Peggy Beata
Director -- Account Management
312-335-7340 office
312-740-4126 pager
mb6432@sbc.com

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GLOBALCOM NEW EEL OPTIONS

